

SENATE BILL No. 413

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-6-2.

Synopsis: Attorney general collection costs. Permits the attorney general to collect the costs of a collection action that are incurred after a court or an administrative law judge determines the amount owed to the state. Creates the attorney general collection costs account for the deposit of these funds, and appropriates the money in this fund to reimburse the attorney general for certain collection costs.

Effective: July 1, 2005.

Bray

January 13, 2005, read first time and referred to Committee on Judiciary.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 413

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-6-2-6.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2005]: **Sec. 6.5. (a) As used in this section, "collection costs"**
4 **include the following costs:**

- 5 (1) **Postage.**
- 6 (2) **Document preparation.**
- 7 (3) **Service of process.**
- 8 (4) **Skip tracing.**
- 9 (5) **The reasonable expenses of an investigation.**
- 10 (6) **Time spent by deputies and other employees preparing for**
11 **litigation.**

12 **(b) Except as provided in subsection (c), if:**

- 13 (1) **the attorney general or an agency institutes a proceeding**
14 **to collect money owed to the state by any person;**
- 15 (2) **there is a judicial determination or a determination by an**
16 **administrative law judge that the person owes money to the**
17 **state;**



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(3) the person does not pay the state the money owed within ten (10) days after the judicial determination or the determination by an administrative law judge under subdivision (2); and

(4) the attorney general:

(A) defends the judicial determination or a determination by an administrative law judge under subdivision (2); or

(B) incurs collection costs in collecting or attempting to collect the money owed to the state;

the attorney general may seek reimbursement for collection costs that the attorney general incurred after and in connection with the judicial determination or determination by the administrative law judge.

(c) If:

(1) the judicial determination or the determination by an administrative law judge that the person owes money to the state is reversed by a higher court; and

(2) the decision of the higher court is final;

the attorney general is not entitled to reimbursement for expenses under subsection (b).

(d) Collection costs collected under subsection (b) shall be deposited in the attorney general collection costs account established by section 6.7 of this chapter.

SECTION 2. IC 4-6-2-6.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.7. (a) The attorney general collection costs account is established to reimburse the attorney general for certain expenses relating to collecting money owed to the state. The account shall be administered by the attorney general. The account consists of money deposited in the account under section 6.5 of this chapter.

(b) The expense of administering the account shall be paid from money in the account.

(c) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.

(d) Money in the account at the end of a state fiscal year does not revert to the state general fund.

(e) The money in the account is continually appropriated by this section to the attorney general to reimburse the attorney general for certain expenses related to collecting money owed to the state.

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